

# COMMITTEE ON PUBLIC INSTITUTIONS AND RETIREMENT

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\* Strike-everything Amendment  
[E] Emergency Clause  
[P 105] Proposition 105 Clause  
[P 108] Proposition 108 Clause

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**HB 2145 – Chapter 114 – ASRS; long-term disability amendments**

Increases the Social Security offsets from 64 percent of Social Security disability and 83 percent of Social Security retirement to 85 percent for a member who becomes disabled on or after July 1, 2008, but excludes offset amounts allowed by Social Security paid to an attorney to secure that benefit or any cost of living adjustment granted after the long term disability LTD benefit is commenced. Precludes payment of benefits for some preexisting conditions and allows the Arizona State Retirement System (ASRS) to recover overpayments by reducing ASRS or LTD monthly benefits.

**HB 2147 – Chapter 270 – ASRS; investment management**

Increases the allowable investments in foreign equity securities to up to 30 percent of Arizona State Retirement System (ASRS) assets and eases the qualifications for ASRS investment management.

**HB 2148 – Chapter 244 – ASRS; active military service credit**

Extends the right of an Arizona State Retirement System member who is called to active military service to purchase credited service if disability or death occurs during that service.

**HB 2215 – Chapter 87 – retirement plans; domestic relations orders**

Clarifies procedures and responsibilities regarding domestic relations orders (DRO) in the Public Safety Personnel Retirement System, the Corrections Officer Retirement Plan and the Elected Officials' Retirement Plan (Plan). Allows a court to issue a DRO that makes a participant's benefit payable, at least in part, to an alternate payee. Specifies certain minimum requirements for the DRO and requires the Plan to approve the DRO (Plan-Approved DRO or PADRO). Provides a timetable for the Plan to act.

Requires each participant and alternate payee to maintain a current mailing address on file with the Plan. If the alternate payee's address is unknown, allows the Plan to hold that portion or pay it to the participant, who shall hold that portion in trust. Protects the Plan from liability involving disputes between the participant and alternate payee by requiring the recipient of an erroneous payment to hold that payment in trust.

**HB 2298 – Chapter 247 – prisons; transition programs**

Changes the criteria for eligibility for the Arizona Department of Corrections' (DOC) transition programs. Decreases the percentage from 8 to 5 percent, but increases the pool, of prisoners' wages for funding transition offices, implementing the Community Accountability Pilot Program and implementing the Teaching Offenders to Live Program. Allows DOC discretion on time of early release. Allows DOC to order, as a condition of community supervision, participation in an appropriate drug treatment or education program. Requires each enrolled person to pay the cost of participation to the extent of their ability. Provides notice to victims and an opportunity to be heard before the prisoner enters the transition program.

**HB 2311 – Chapter 253 [E] – \*retiree health insurance; rural subsidy**

Continues the temporary health care premium benefit supplement for retired members of the four state retirement systems who are Medicare eligible through June 30, 2009.

**SB 1200 – Chapter 98 – public supplemental defined contribution plans**

Modifies employee and employer contribution requirements for supplemental defined contribution plans. Removes the one percent floor as the minimum employee contribution rate. Removes the requirement that employer matching monies be made to the plan in which the employee participates until Internal Revenue Code limits are met. Requires the employee to determine whether the employer shall pay the matching contribution to the 401(a), 403(b) or 457 plan in which the employee participated.